

7. Money Stock : Components and Sources

(Rs. crore)

| <i>Item</i> | Outstanding as on | | | | Variation over | | | | | | | |
|--|-------------------|-----------|-----------|-------|-----------------------|-------|-----------|------|--------------|--------|----------|------|
| | 2006 | | Fortnight | | Financial year so far | | | | Year-on-year | | | |
| | Mar. 31 # | May 12# | Amount | % | 2005-2006 | | 2006-2007 | | 2005 | | 2006 | |
| | | | | | Amount | % | Amount | % | Amount | % | Amount | % |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
| M₃ | 27,09,905 | 27,71,702 | -3,302 | -0.1 | 94,677 | 4.2 | 61,797 | 2.3 | 2,87,462 | 14.0 | 4,25,576 | 18.1 |
| | | | | | | | | | (2,83,949) | (13.8) | | |
| Components (i+ii+iii+iv) | | | | | | | | | | | | |
| (i) Currency with the Public | 4,14,404 | 4,42,567 | 9,842 | 2.3 | 26,494 | 7.4 | 28,163 | 6.8 | 45,846 | 13.6 | 60,210 | 15.7 |
| (ii) Demand deposits with banks | 3,87,877 | 3,69,424 | -42,934 | -10.4 | 4,402 | 1.5 | -18,453 | -4.8 | 43,692 | 17.8 | 79,868 | 27.6 |
| (iii) Time deposits with banks @ | 19,00,710 | 19,53,011 | 29,782 | 1.5 | 65,987 | 4.1 | 52,300 | 2.8 | 1,97,335 | 13.4 | 2,83,070 | 17.0 |
| | | | | | | | | | (1,93,822) | (13.2) | | |
| (iv) "Other" deposits with Reserve Bank | 6,914 | 6,701 | 8 | 0.1 | -2,206 | -34.1 | -213 | -3.1 | 589 | 16.0 | 2,429 | 56.9 |
| Sources (i+ii+iii+iv-v) | | | | | | | | | | | | |
| (i) Net Bank credit to Government (a+b) | 7,77,526 | 7,86,616 | -19,551 | -2.4 | 16,037 | 2.1 | 9,090 | 1.2 | 22,974 | 3.1 | 13,813 | 1.8 |
| | | | | | | | | | (10,781) | (1.4) | | |
| (a) Reserve Bank | 12,617 | 11,510 | -6,419 | | 25,587 | | -1,107 | | -1,309 | | 3,898 | |
| (b) Other Banks | 7,64,909 | 7,75,106 | -13,132 | -1.7 | -9,550 | -1.2 | 10,198 | 1.3 | 24,282 | 3.3 | 9,915 | 1.3 |
| (ii) Bank credit to commercial sector (a+b) | 16,86,509 | 16,76,441 | 505 | — | 38,206 | 3.0 | -10,068 | -0.6 | 2,83,273 | 27.4 | 3,57,986 | 27.2 |
| | | | | | | | | | (2,50,391) | (24.2) | | |
| (a) Reserve Bank | 1,387 | 1,387 | — | — | — | — | — | — | -631 | -31.2 | -3 | -0.2 |
| (b) Other Banks | 16,85,122 | 16,75,054 | 505 | — | 38,206 | 3.0 | -10,068 | -0.6 | 2,83,904 | 27.5 | 3,57,989 | 27.2 |
| (iii) Net foreign exchange assets of banking sector | 7,13,865 | 7,74,978 | 15,050 | 2.0 | -10,214 | -1.6 | 61,114 | 8.6 | 64,064 | 11.1 | 1,35,938 | 21.3 |
| (iv) Government's currency liabilities to the public | 8,695 | 8,695 | — | — | -13 | -0.2 | — | — | 122 | 1.7 | 1,260 | 16.9 |
| (v) Banking sector's net non-monetary liabilities other than time deposits | 4,76,690 | 4,75,029 | -693 | -0.1 | -50,661 | -11.5 | -1,662 | -0.3 | 82,970 | 26.9 | 83,421 | 21.3 |
| of which : Net non-monetary liabilities of RBI | 1,28,436 | 1,64,556 | 11,321 | 7.4 | -6,534 | -5.5 | 36,120 | 28.1 | -7,392 | -6.1 | 51,314 | 45.3 |

@ : Data reflect redemption of India Millennium Deposits (IMDs) on December 29, 2005.

Notes: 1. Figures in parentheses exclude the impact of conversion of a non-banking entity into banking entity from October 11, 2004.

2. Government Balances as on March 31, 2006 are before closure of accounts.